

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JACKSON ENERGY)	
COOPERATIVE FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY AUTHORIZING)	CASE NO.
CERTAIN PROPOSED CONSTRUCTION)	2010-00115
IDENTIFIED AS THE 2010-2013 CONSTRUCTION)	
WORK PLAN)	

COMMISSION STAFF'S FIRST INFORMATION REQUEST
TO JACKSON ENERGY COOPERATIVE

Pursuant to 807 KAR 5:001, Jackson Energy Cooperative ("Jackson Energy") is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due within ten days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Jackson Energy shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Jackson Energy fails or refuses to furnish all or part of the requested information, Jackson Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Exhibit 5, Estimated Cost of Operation on AZ8 Work Plan.
 - a. Provide the source and any detail supporting the "Estimated Interest Rate" of five percent.
 - b. Provide the source and any detail supporting the "Operation and Maintenance estimated yearly expense" of \$400,000.
2. Refer to the Distribution Line and Equipment Costs on pages 2-3 through 2-4 of the Construction Work Plan ("CWP").
 - a. Provide the source and any detail supporting the "Estimated Cost" for each category of "Distribution Lines."
 - b. For those distribution line projects which include engineering and tree trimming costs, provide an itemized list showing the engineering costs, the tree trimming costs, and any other costs separately.
 - c. Do the estimated labor amounts represent the total labor for the installation of each category of line regulators, capacitors, and oil circuit reclosers

listed? If so, what would be the comparable estimated labor rate per hour for each listed item?

d. Provide the source and any detail supporting the estimated labor amounts for each category of line regulators, capacitors, and oil circuit reclosers.

3. Refer to page 2-8 of the CWP.

a. Provide a copy of the spreadsheet information which is captured for recloser operations. Only provide this information for the recloser with the highest volume of operations.

b. The CWP states, "As each recloser requires service, it will be repaired and placed back into service."

(1) What is the standard for determining when a recloser requires service?

(2) What is the average time to repair any such recloser and place it back into service?

4. Refer to the Projected Annual Energy, Load and Consumer Data on page 2-13 of the CWP.

a. For "Energy Sold" in 2009, show the detailed calculation for the "% Inc." column.

b. For the "Billing Demand" in 2009, show the detailed calculation for the "% Inc." column.

c. For the "Number of Consumers" in 2009, show the detailed calculation for the "% Inc." column.

d. Do the amounts in the "Number of Consumers" column represent year-end number of consumers or the average number of consumers for the year?

e. Does the "% Inc." column to the right of the "Energy Loss" column really represent the percent of loss? If not, recalculate this "% Inc." column to reflect the annual percentage increases.

5. Refer to the Conductor Replacement – Code 608 information on page 3-17 of the CWP. Provide all of the detail supporting the derivation of the conductor replacement costs of \$7,860,000.

6. Refer to the Code 615 – Communication Equipment information on pages 3-19 and 3-20 of the CWP.

a. Using the quantity information for the listed items and the unit cost of the listed items, provide the detail supporting the equipment cost of \$1,322,537.

b. Provide the detail supporting the labor cost of \$177,000, and allocate this cost to each of the listed Items.

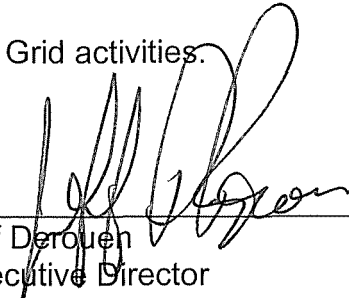
7. Refer to Section 2, page 7 of the CWP, Analysis of the 2007 Operations and Maintenance Survey.

a. In item 3, Jackson Energy notes that "Several problem trees were observed in residential areas." Describe fully what steps Jackson Energy has taken to address the concerns/issues posed by these trees. If no action has been taken, explain why and provide in detail Jackson Energy's plan to address the concerns/issues noted.

b. In item 4, Jackson Energy indicates that a "more aggressive right-of-way clearing program" was implemented. Provide a detailed description of the right-of-way clearing program that Jackson Energy has implemented.

8. Refer to Section 1, page 3, Code 601, Transformers and Meters.
 - a. Are the meters that Jackson Energy proposes to install Automated Meter Reading (“AMR”) meters? Provide a full description of the proposed meters, including specifications and capabilities.
 - b. How do the proposed meters differ from the meters installed in the three previous CWPs? Describe fully.
 - c. Are the proposed meters compatible with the TWACS AMR system that Jackson Energy began installing in the 2003-2005 Work Plan?
 - d. Provide an update on the status of the TWACS AMR system that has been included in the work plans for 2003-2005, 2005-2007, and 2007-2009. Assuming the current work plan is a continuation of this program, will all customer meters be AMR capable by the end of 2013?
 - e. Do these meters reflect the most current meter technology available on the market? If not, explain why Jackson Energy has decided on this particular meter.
 - f. Provide a full description of the proposed meter disconnect collars, including specifications and capabilities.
 - g. Provide Jackson Energy’s criteria for the determination of which customers will have the collars installed.
 - h. Once a collar is installed on a customer’s meter, will it be considered a permanent installation, or will it be subject to removal at some future date?

9. Identify any other costs in the CWP associated with any Advanced Metering Infrastructure System, the AMR, or Smart Grid activities.



Jeff Derouen
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

DATED JUL 12 2010

cc: Parties of Record

J. Warren Keller
Jackson Energy Cooperative
115 Jackson Energy Lane
McKee, KY 40447